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October 14, 1985

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Dick Stamets, Director

Gentlemen:

REQUEST FOR ADMINISTRATIVE APPROVAL OF OFF-LEASE STORAGE-
GOODWIN NO. 1, 1980' FNL & 660' FWL OF SECTION 30, T18S, R37E
LEA COUNTY, NEW MEXICO. GOODWIN DRINKARD POOL

Conoco Inc. respectfully requests administrative approval to store production from the Goodwin lease at the State GG30 battery in accordance with Rule 309-C of the State of New Mexico Oil Conservation Division rules and regulations.

Conoco Inc. proposes to lay a flowline, approximately 2600 feet, from the Goodwin lease to the State GG30 battery (See Exhibit 1). Conoco Inc. intends to store the Goodwin production in a separate tank, therefore there will be no commingling of production from the two leases (See Exhibit 2).

Conoco Inc. requests administrative approval of this off-lease storage due to the fact that the nominal production from the Goodwin lease, approximately 2 BOPD and 2 BWPD, does not economically justify the Goodwin Battery's maintenance cost.

As specified in Rule 309-C, all parties owning an interest in the two leases have been notified by certified mail and Conoco Inc. will forward proof of receipt of such notification. Also in accordance with Rule 309-C, Conoco Inc. has also made an application for administrative approval to the Commission of Public Lands for the State of New Mexico.

Attached are copies of the notification that has been sent to all interest owners and the application to the Commission of Public Lands.

Yours very truly,

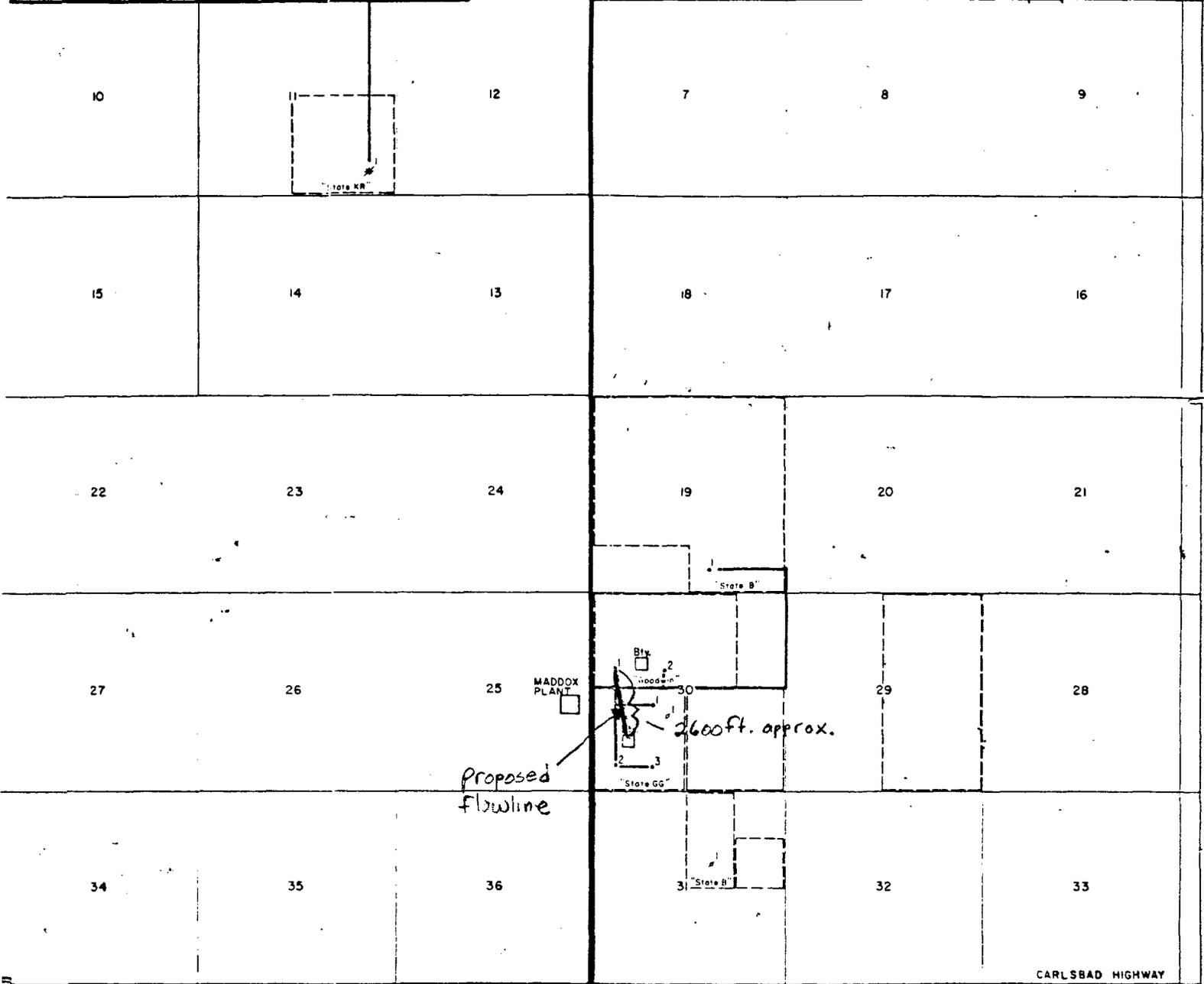
A handwritten signature in cursive script, appearing to read "Donald W. Johnson".

ELK:mlb

Exhibit "A"



T185



ARKANSAS JUNCTION

NORTHERN NATURAL GAS

R 37E

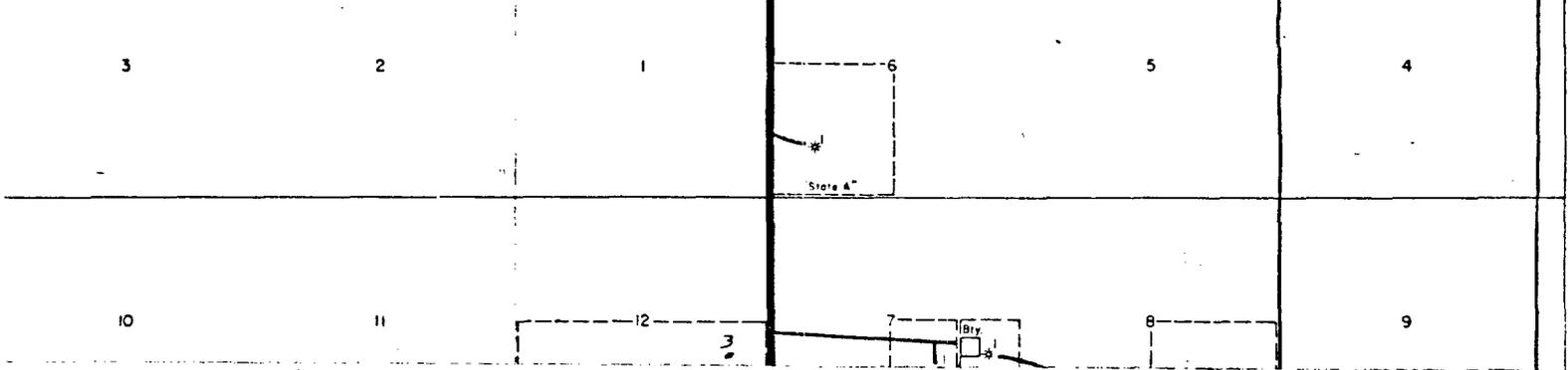


Exhibit "2"



Proposed
flowline
from Goodwin
lease

Lease Road

State 66 30
Battery

Heater-treater
for state 66 30
Goodwin Abo production
only

Goodwin
Drinkard
Production
only
Oil will be trucked
out and sold, water
will be drained
off

Goodwin
Abo production
from
State 66 30 lease
This oil will not be
commingled with
Goodwin 30
production

Produced
water
tank
from state 66 30
production

